

STATE OF HAWAII OFFICE OF COLLECTIVE BARGAINING EXECUTIVE OFFICE OF THE GOVERNOR

235 S. BERETANIA STREET, SUITE 1201 HONOLULU. HAWAII 96813-2437

February 24, 2015

TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE
For Hearing on Thursday, February 26, 2015
3:00 p.m., Conference Room 308

By

JAMES K. NISHIMOTO OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

House Bill No. 553, H.D. 1 Relating to Collective Bargaining

(WRITTEN TESTIMONY ONLY)

CHAIRPERSON SYLVIA LUKE, VICE CHAIR NISHIMOTO AND MEMBERS OF THE HOUSE COMMITTEE ON FINANCE:

Thank you for the opportunity to testify on this important measure.

H.B. No. 553, H.D. 1 would create a new bargaining unit (bargaining unit 15) to cover graduate student assistants employed by the University of Hawaii.

The Office of Collective Bargaining has concerns about this bill and requests that the bill be held.

The creation of a new bargaining unit to cover individuals who are essentially students would have significant cost implications. Since mandatory subjects of collective bargaining include wages, hours, conditions of employment and fringe benefits, all such subjects would become "cost items" subject to legislative

appropriation pursuant to HRS § 89-10(b). Stipends that are currently provided by the University to graduate students would become negotiable cost items, along with possible contributions to the Employer-Union Health Benefits Trust Fund. The Legislature should consider the impact this would have upon the State's general fund, as well as the University's operational expenses.

Based upon the above, OCB respectfully requests that this measure **be held**.

TESTIMONY BY WESLEY K. MACHIDA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE HOUSE COMMITTEE ON FINANCE ON HOUSE BILL NO. 553, H.D. 1

February 26, 2015

RELATING TO COLLECTIVE BARGAINING

This measure allows graduate students employed by the University of Hawaii (UH) to collectively bargain by amending Chapter 89-6, HRS, to create a new bargaining (15) for graduate student assistants.

The Department of Budget and Finance opposes this measure. UH has outlined several reasons why it is best to keep collective bargaining out of the management of these student-employees in their testimony. The cost implications of allowing graduate students to collectively bargain are a special concern, especially in UH's current fiscal situation. If it is determined that this new bargaining group would be subject to binding arbitration (which is not specified in this measure), the ability of UH to manage this important resource would be further reduced.



ON THE FOLLOWING MEASURE:

H.B. NO. 553, H.D. 1, RELATING TO COLLECTIVE BARGAINING.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Thursday, February 26, 2015 TIME: 3:00 p.m.

LOCATION: State Capitol, Room 308

TESTIFIER(S): Russell A. Suzuki, Attorney General, or

Maria C. Cook, Deputy Attorney General

Chair Luke and Members of the Committee:

The Department has no legal objection to this bill, which provides graduate students employed by the University of Hawaii with the right to collectively bargain with their employer. The Department has concerns that the bill failed to amend section 89-11, Hawaii Revised Statutes (HRS), relating to resolution of disputes or impasses. We recommend adding a provision under section 89-11, HRS, that would allow bargaining unit 15 (graduate students employed by the University of Hawaii) to either go to binding arbitration or to strike in the event of an impasse. It should be noted that the faculty (bargaining unit 7) with whom this graduate students' work did not have binding arbitration but have the right to strike.

Thank you for the opportunity to present comments.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Eighth Legislature, State of Hawaii House of Representatives Committee on Finance

Testimony by
Hawaii Government Employees Association
February 26, 2015

H.B. 553, H.D. 1 – RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the concept of allowing graduate students employed by the University of Hawaii to be included in an appropriate collective bargaining unit, as proposed in H.B. 553, H.D. 1; however, we respectfully raise legal concerns with the current H.D. 1.

The original H.B. 553 amended Ch. 89-6, Hawaii Revised Statutes by removing the exclusion of this group from collectively bargaining and allowing the group to unionize. However, the H.D. 1 of H.B. 553 no longer removes the exclusion to Ch. 89-6, HRS and now establishes a new bargaining unit 15 for graduate student assistants employed by the University of Hawaii. We respectfully request the Committee to determine whether it is necessary to include the language in the original H.B. 553, in addition to or in lieu of the current H.D. 1 language. Further, if the Committee keeps the bargaining unit 15 language intact, appropriate amendments should also be made to Ch. 89-11, HRS regarding dispute resolution to reflect the Legislature's intent: whether the unit shall have the ability to strike or proceed to arbitration if there is no agreement.

We recognize that graduate students employed by the University have encountered numerous work related issues in the past; including budget set backs and increases in class size and workload, in addition to the high cost of living in Hawaii. Despite these issues, graduate student employees have not received a salary increase since 2004. Making an amendment to the prohibition of bargaining in Ch. 89, HRS is the first necessary step in allowing these employees to unionize and will ensure their rights as state workers.

Respectfully submitted,

Randy Perreira
Executive Director



The House Committee on Finance Thursday, February 26, 2015 3:00 p.m.

HB 553, HD 1, Relating to Collective Bargaining.

Dear Chairperson Luke and Committee Members:

The University of Hawaii Professional Assembly urges the committee to support passage of this proposed measure by amendments to the Hawaii Revised Statues Chapter 90 that will advance the interests of graduate assistants. These employees are essential to instruction and research that contribute to the overall success of the University of Hawaii. Graduate Assistances are employees in the full sense of the term with continuing access to positions based on job and academic performance.

UHPA supports the rights of graduate assistants to organize and collectively bargain. Such a right is consistent with the labor tradition in our state and is compatible with an academic environment whereby the majority of employees have access to representation.

Respectively submitted,

Kristeen Hanselman

Associate Executive Director





Date: February 26, 2015

Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to Collective Bargaining

My name is Michelle Tigchelaar, and I am writing on behalf and as the President of the University of Hawai'i at Mānoa (UHM) Graduate Student Organization (GSO). The GSO represents the approximately 5,000 graduate students at the UH Mānoa campus. I am writing in strong support of HB 553 HD1, which creates a new bargaining unit for graduate assistants of the University of Hawaii.

Graduate students critically contribute to the various missions of UH, by serving as Teaching Assistants for our undergraduate students, and working on world-class research projects as Research Assistants. Collectively these positions are knows as Graduate Assistants (GAs). In spite of their critical role however, GAs at UH are poorly paid. In a 2012 survey conducted by the GSO, 90% of respondents indicated that their wages do not cover the cost of living in Hawai'i. The pay scale for graduate assistants is not regularly adjusted for inflation or increases in living expenses, and a review of the current payscale is not due until 2018. Furthermore, graduate students have little job security, since they are rehired on an annual, and sometimes even semesterly, basis. They also are not afforded sick days or family leave. GAs are thus in an extremely vulnerable position, with few options to raise grievances.

We are currently barred from our constitutional right to collective bargaining by Section 89-6 of the Hawaii Revised Statutes, which excludes all student help from coverage. This is however not reflective of the type of work that we (versus other types of student help) perform, and contrary to national trends. Since the late 1960s, many states around the country have extended public employee collective bargaining rights to GAs. In 2012, approximately 65,000 graduate student employees were organized at 28 institutions of higher education in the public sector, representing about one-fifth of all GAs. A 2013 study of these unions, by three Rutgers University scholars, showed that they improve pay and professional support for graduate students, and have had a neutral to positive impact on student performance and perceptions of academic freedom.

Graduate students are an integral part of the UH system. We constitute a committed learning community, do important research, and perform a substantial proportion of

Graduate Student Organization • University of Hawai`i at Mānoa Hemenway Hall 212 • 2445 Campus Road • Honolulu, HI 96822



the teaching duties. However, we are not afforded the same labor protections that faculty and staff are. We deserve to be treated equally, not abused and exploited. The GSO therefore strongly supports HB 553.

Thank you for the opportunity to testify.

Michelle Tigchelaar UH Mānoa Graduate Student Organization, President

Email: mtigch@hawaii.edu Phone: (808) 724-1392

Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair Representative Scott Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to the University of Hawaii

My name is Richard Coleman, and I am a graduate student at University of Hawai'i at Mānoa (UHM). I am writing in strong support of HB 553 HD1 to grant collective bargaining rights to graduate students employed by the University of Hawai'i (UH).

Graduate assistants at UHM perform essential functions, such as teaching, research, and administrative tasks, yet are paid poorly. In a 2012 survey conducted by the UHM Graduate Student Organization (GSO), 90% of respondents indicated that their wages do not cover the cost of living in Hawai'i. They also are not afforded sick days or family leave. As a result, sick graduate student employees risk being fired if they choose to stay home in order to avoid spreading illness to students.

Graduate students are an integral part of the UH system. We constitute a committed learning community, do important research, and perform a substantial proportion of the teaching duties. However, we are not afforded the same labor protections that faculty and staff are. We deserve to be treated equally, not abused and exploited. I therefore support HB 553.

Thank you for the opportunity to testify.

Respectfully submitted, Richard Coleman rcolema@hawaii.edu

Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to the University of Hawaii

My name is Claudio Corti, and I am a PhD student at University of Hawai'i at Mānoa (UHM). I am writing in strong support of HB 553 HD1 to grant collective bargaining rights to graduate students employed by the University of Hawai'i (UH).

Graduate assistants at UH perform essential functions, such as teaching, research, and administrative tasks, yet are paid poorly. In a 2012 survey conducted by the UHM Graduate Student Organization (GSO), 90% of respondents indicated that their wages do not cover the cost of living in Hawai'i. They also are not afforded sick days or family leave. As a result, sick graduate student employees risk being fired if they choose to stay home in order to avoid spreading illness to students.

Graduate students are an integral part of the UH system. We constitute a committed learning community, do important research, and perform a substantial proportion of the teaching duties. However, we are not afforded the same labor protections that faculty and staff are. We deserve to be treated equally, not abused and exploited. I therefore support HB 553.

Thank you for the opportunity to testify.

Respectfully submitted, Claudio Corti Email corti@hawaii.edu

Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to the University of Hawaii

My name is Bret Polopolus-Meredith, and I am a graduate assistant (GA) at University of Hawai'i at Mānoa (UHM). I am writing in strong support of HB 553 HD1 to grant collective bargaining rights to graduate students employed by the University of Hawai'i (UH).

I have estimated, as best I could, the potential increased costs to the UH budget as a result of gradate assistant collective bargaining. Although, it is my opinion that UH will have to increase the graduate assistant pay scale eventually, regardless of collective bargaining, as the minimum pay at UH Hilo is currently \$14,382 for a 9-month hire. The 2015 federal poverty guideline for a 1-person household in Hawai'i is \$13,550.

Based on a preliminary report from the 2012 UHM Strategic Planning Committee approximately half of the graduate assistants at UHM are funded from extramural sources. However, the percent of externally funded graduates may be slightly lower or higher as there has been a decline in the number of GA positions. There were 1351 GA positions at UHM in fall 2012. The Office of Graduate Education provided a preliminary estimate of 1304 GA positions at UHM in 2014. Based on 1351 GA positions, I would estimate a \$2M increase to the total GA pay for a 4% raise. The cost to internal UH funding sources would be about \$1M.

The other primary costs to UH are for tuition waivers and insurance benefits. Graduate assistants already receive full tuition waivers, so there would not be an additional cost as a result of collective bargaining. The graduate assistant health insurance benefit is based off of BU8. The premium is similar to the faculty (BU7). It is unlikely there would be an increased cost as the result of allowing graduate assistants their right to collectively bargain.

I estimate that over two years would pass until a negotiated contract would take affect if HB553 HD1 were signed into law in summer 2015. First, graduate assistants would need to organize. As many graduates are away during the summer, organizing would likely take place in fall 2015. The Hawai'i Labor Relations Board (HLRB) would need time to determine an appropriate bargaining unit. A strong case could be made for BU8 because the work we perform is similar or even the same. This process could take several months and last into or through spring 2016. Negotiations with UH might begin as early as late spring 2016. A pay raise might be agreed to in fall 2016, but would likely not take affect until fall 2017.

The University of Hawai'i already treats graduate student employees as a collective. The compensation scale is set for all graduate assistants. The benefits are the same. Yet, we are denied collective negotiations to improve our lot. This denies graduate students a voice in affairs that directly affect them

This causes a fundamental imbalance of power in the relationship between students and the university. This imbalance is exacerbated when we must also rely upon the university for our sole livelihood. Graduate student employees are not allowed to take second jobs that could offset remedial pay and benefits.

Graduate student employees teach classes, perform research, and work in administration while progressing toward a degree. They are extremely busy performing duties that benefit undergraduates, faculty, and administration. Graduate students should not have to protest and hold three-day sit-ins to prevent the sudden and unannounced elimination of jobs as was done in November 2014. There should not be long periods between raises to the graduate compensation scale, especially when other income options are stymied. Graduate students should not be forced to spend time away from degree progress to plan protests over substandard pay, benefits, work conditions, and job security simply because we cannot negotiate collectively.

Bret Polopolus-Meredith bp32@hawaii.edu 808-304-9334

Rep. Sylvia Luke, Chair Rep. Scott Y. Nishimoto, Vice Chair Committee on Finance

House of Representatives of the State of Hawai'i

Lance D. Collins, Ph.D Law Office of Lance D Collins

Thursday, February 26, 2015 Support H.B. 553, Relating to Collective Bargaining

My name is Lance D. Collins. I am an attorney in private practice. I strongly support this bill.

Graduate students perform the same work as other public employees who work for the University of Hawai'i. In most instances, this work is done with the same level of supervision or less as other public employees at the University of Hawai'i. The only difference between graduate student employees and others is that the graduate students have no protection from arbitrary and capricious employment decisions and often must suffer poor and sometimes illegal working conditions to maintain their employment.

Over the years, the University has stated that its purpose for graduate assistantships is to train and mentor graduate students for their professional careers. Taking collective action for the betterment of working conditions and collective bargaining should be included in that training. Being subject to arbitrary and capricious employment decisions and poor and abusive working conditions only trains graduate students to accept that such harmful conduct is a necessary component to academic life – when it, in fact, is not.

In 1968, the people of Hawai'i amended the Hawai'i State Constitution to provide public employees the right to collectively bargain. Article XIII, Section 2 of the Hawai'i State Constitution. Nevertheless, the implementing statute has been interpreted to exclude graduate students from the ambit of the public employee collective bargaining statute.

That interpretation exceeds the powers of the legislature and violates such a right. "[T]he framers [of the constitution] were not in favor of granting the legislature the ultimate power to deny the right to organize for the purpose of collectively bargaining." *UPW v. Yogi*, 101 Haw. 46, 52 (2002)

I recommend amending the current draft to expressly remove the exclusion in HRS 89-6 similar to what appeared in the original draft. If the creation of a new unit remains in the next draft, it must address the issues of dispute resolution and impasse for the unit in HRS 89-11.

Mahalo.

finance1-Kim

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 2:07 PM

To: FINTestimony Cc: ljmiller@hawaii.edu

Subject: Submitted testimony for HB553 on Feb 26, 2015 15:00PM

Attachments: HBtestimony.txt

HB553

Submitted on: 2/25/2015

Testimony for FIN on Feb 26, 2015 15:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa J Miller	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Y. Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to Collective Bargaining

My name is Penn Pantumsinchai and I am a graduate student at the University of Hawai'i at Mānoa (UHM). I am writing in strong support of HB 553 HD1, which allows University of Hawai'i (UH) graduate students to be included in an appropriate collective bargaining unit.

The compensation scale for graduate assistants has not been increased since 2003/2004. Previously, the scale was increased every year from 1987/88 to 1992/93 and every three or four years between 1993/94 and 2003/2004. Policy set by President of the University of Hawai'i System has scheduled the next review for 2018.

Graduate student employees are rehired each year, and sometimes each semester, many students are afraid to complain about being overworked and/or mistreated. Loss of employment midyear could be devastating as deadlines for financial assistance are either prior to the start of fall or early in the fall semester. As a teaching assistant myself, this possibility is very scary and leaves little room for alternatives.

Graduate student employees have no say over insurance premiums. Our insurance premiums are higher than faculty yet constituting a more significant portion of our salary. Moreover, we are not afforded sick days or family leave. As a result, sick graduate student employees risk being fired if they choose to stay home in order to avoid spreading illness to students. As an international student with family overseas, if there is a family emergency, I have no leave to use. What kind of relationship does this create between the graduate student employee and UH, who does not fully support them?

Graduate students are an integral part of the UH system. We constitute a committed learning community, do important research, and perform a substantial proportion of the teaching duties. However, we are not afforded the same labor protections that faculty and staff are. We deserve to be treated equally, not abused and exploited.

Respectfully submitted, Penn Pantumsinchai ppantum@hawaii.edu

FIN-Jo

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 11:18 AM

To: FINTestimony Cc: joyshih@hawaii.edu

Subject: Submitted testimony for HB553 on Feb 26, 2015 15:00PM

HB553

Submitted on: 2/25/2015

Testimony for FIN on Feb 26, 2015 15:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Joy Leilei Shih	Individual	Support	No

Comments: Aloha Chair Luke and Members of the Committee: I strongly support HB 553. As a doctoral student at University of Hawaii at Manoa, I understand firsthand the importance of this bill. Until students have the right for collective bargaining, the vulnerability resulting from students struggling to survive below the standard of living in Hawaii means our state's academic and research performance will not be at our full potential. Basic labor protections will not only protect the performance of the university as a whole but that of the state's future academic and research community. Mahalo for the opportunity to testify.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Y. Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to Collective Bargaining

My name is Jonathan Dial, and I am a graduate student at the University of Hawai'i at Mānoa (UHM). I am also Co-Chair of Advocacy for the Graduate Student Organization (GSO). I am writing in strong support of HB 553 HD! to grant collective bargaining rights to graduate students employed by the University of Hawai'i (UH).

Graduate assistants at UH perform essential functions, such as teaching and research, yet are paid poorly. In a 2012 survey conducted by the UHM Graduate Student Organization (GSO), 90% of respondents indicated that their wages do not cover the cost of living in Hawai'i. The pay scale for graduate assistants has not been increased since 2003/2004. Furthermore, graduate students have little job security, since they are rehired each year, and sometimes each semester. They also are not afforded sick days or family leave. As a result, sick graduate student employees risk being fired if they choose to stay home in order to avoid spreading illness to students. Allowing these employees the right to unionize would enable them to negotiate in order to improve their situations.

Each year, graduate student employees must go through a rehire process, and this leads to a situation in which many students feel they must avoid presenting an impression of themselves as a complainer, even if they have legitimate reason for doing so. Consequently, many students are afraid to bring up their issues concerning being overworked, being mistreated, and a weak benefits package. Loss of employment midyear could be devastating as deadlines for financial assistance are either prior to the start of fall or early in the fall semester.

Also, graduate student employees have no control over their insurance premiums, as we are barred from participating in such negotiations. Our insurance premiums are higher than that of the faculty, and they constitute a greater portion of our salary. Moreover, we are not afforded sick days or family leave. As a result, sick graduate student employees risk being fired if they choose to stay home in order to avoid spreading illness to students.

I have been personally involved with the efforts to support this bill over the past two years, and I believe that involvement has given me a perspective that is uncommon for graduate students. In discussions with University and community leaders, it has become apparent that there have been many attempts to win the right to collective bargaining for graduate students over several decades. Unfortunately, those attempts have all failed in the legislature, and the problems that are the source of these efforts have not been solved within the University structure. Graduate students are an integral part of the UH system. We constitute a committed learning community, do important research, and perform a substantial proportion of the teaching duties. However, we are not afforded the same labor protections that faculty and staff are. We deserve to be treated equally, not abused and exploited.

By not allowing graduate students to unionize, a message is being sent that the Capitol is not concerned for the welfare of Hawai'i's upcoming professionals. Sending such a message is dangerous, as it discourages the growth of education, research, and professionalism in our great

State. I encourage you to instead send a message that you do support the students of Hawai'ian Higher Education and are willing to assist us in our plight.

Respectfully submitted,

Jonathan Dial Co-Chair of Advocacy, Graduate Student Organization President, Graduate Student Sociological Association Email: dialjonathan@gmail.com (601) 954-6794

Time: 3:00 PM

Place: Conference Room 308

To: House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Y. Nishimoto, Vice Chair

Re: Support of HB 553 HD1 Relating to Collective Bargaining

My name is Edward Hoogland and I am a graduate student at the University of Hawai'i at Mānoa (UHM). I am writing in strong support of HB 553 HD1 which allows University of Hawai'i (UH) graduate students to be included in an appropriate collective bargaining unit.

Graduate assistants at UH perform essential functions, such as teaching and research, yet are paid poorly. In a 2012 survey conducted by the UHM Graduate Student Organization (GSO), 90% of respondents indicated that their wages do not cover the cost of living in Hawai'i. The pay scale for graduate assistants has not been increased since 2003/2004. Furthermore, graduate students have little job security, since they are rehired each year, and sometimes each semester. They also are not afforded sick days or family leave. As a result, sick graduate student employees risk being fired if they choose to stay home in order to avoid spreading illness to students.

The right to organize used to be an honored one, not one taken for granted or carelessly written off based on age, occupation or number of hours worked. The University of Hawai'i at Mānoa employs about 2000 graduate students as teaching assistants. We depend on this income for survival. In the recent past, the university has taken the easier method of balancing the budget by keeping its TAs as casual labor with no right to appeal unjust release. Please help grant TAs collective bargaining rights so that they can potentially form a union and write a fair collective agreement. When disputes occur, neutral mediators can arbitrate them. The alternative is a poor image for the university, where student teachers have to demonstrate just to be heard by the administration. A more equal power relationship leads to better agreements, harmonious working conditions, and stability.

If we think of the employer-employee relationship like a marriage between equals, then the correct decision is clear: fair treatment through collective bargaining for honest work done on campus. In a marriage where only one person makes decisions by decree, we call it abusive. When will we stop the abuse of student teachers?

Graduate students are an integral part of the UH system. We constitute a committed learning community, do important research, and perform a substantial proportion of the teaching duties. However, we are not afforded the same labor protections that faculty and staff are. We deserve to be treated equally, not abused and exploited. I therefore support HB 553.

Respectfully submitted, Edward Hoogland EH30@hawaii.edu (317) 997-0588



UNIVERSITY OF HAWAI'I SYSTEM



Legislative Testimony

Testimony Before the
House Committee on Finance
Thursday, February 26, 2015 at 3:00 pm
By Dr. Risa Dickson
Vice President for Academic Affairs
University of Hawai'i
and
Kalbert Young
Vice President for Budget & Finance
University of Hawai'i

HB 553 HD1 – RELATING TO COLLECTIVE BARGAINING

Chair Luke, Vice Chair Nishimoto, and Members of House Committee on Finance:

We hereby provide the following testimony regarding House Bill 553 HD 1 – Relating to Collective Bargaining which proposes to amend HRS, §89-6, to create a new bargaining unit (15) for graduate student assistants employed by the University of Hawai'i. The University opposes this measure.

In deliberating on the approach to allow university-employed graduate students to be included for collective bargaining, there are several issues that the Legislature, University and taxpayers should consider. From an employment perspective, first consider the rationality of requiring the State and University to collectively bargain employment with employed students – in this case, graduate assistants. The University's graduate assistants are unlike any other employees of the State. First and foremost, they are students first employees second. Graduate assistants are student learners. They are at the University to learn as much about their fields of study as their time and talents will allow. These graduate assistants are mentored and supervised by our rank 3, 4, and 5 Faculty members who all hold Ph.D.'s and have many years of proven professional competence and experience, including evidence of proficiency in teaching. Part of our efforts as University mentors is to teach graduate assistants the subject matter. An equal or large part of our efforts is devoted to turning them out as academic professionals with real job skills in research techniques, teaching expertise, database management, etc. They learn these essential skill sets while in their graduate assistant positions under the guidance and supervision of our current faculty employees. A graduate assistant is similar to an on-the-job training or apprenticeship training program. It is not a career or a profession, but the beginning stages most faculty must complete to pursue a career in higher education. There is no long term career opportunities for graduate assistants at the University.

As graduate assistants, their duties and work assignments differ significantly from that of our faculty members. Our faculty members in ranks 3, 4, and 5 who mentor graduate assistants are required to teach classes and/or develop research programs with no supervision or oversight. There are at times consultation and interaction with other Faculty members depending on the department's teaching needs or research focus, but there is not supervision *per se*. A graduate assistant does not step into a classroom,

House Committee on Finance

HB553 HD1: Relating to Collective Bargaining

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laboratory, or field exercise without supervision of some kind. By comparison, senior teaching assistants may be capable of teaching a lecture section with little or no supervision because they have been mentored and trained to take on that type of assignment. Similarly, senior research assistants will undertake more complex roles without strict supervision or even have the capacity to develop new techniques as they grow into their roles. Our goal is to train and mentor graduate assistants to get them to that point where they can function as professionals and begin their academic careers.

Secondly, from a collective bargaining perspective, there still remains outstanding statutory issues that will need to be addressed if such a new bargaining unit 15 were to be created under HRS, §89-6, including but not limited to, addressing the resolution of disputes and impasses. Currently, (3) of the existing fourteen (14) existing bargaining units (i.e. Units 1, 5 and 7) have retained their right to strike while all other bargaining units are subject to interest arbitration (i.e. 2, 3, 4, 6, 8, 9, 10, 11, 12, 13 & 14). Therefore, some of the issues that would need to be addressed in the legislation include the mechanism for dispute resolution and impasse procedure (i.e., right to strike or interest arbitration) under HRS, §89-11, and recognition, representation, and employee participation under HRS, §89-8.

Thirdly, the State of Hawai'i and the University of Hawai'i must also somberly consider the financial ramifications of allowing student employees such as graduate students into Chapter 89, HRS, collective bargaining. There will be significant cost increases for both the University and the State of Hawai'i should the Legislature decide to expand collective bargaining provisions to this currently non-bargaining class of employees.

Graduate students of the University are currently compensated via a package that includes a variety of benefits. Consider that current compensation for employed graduate students varies dependent upon individual circumstances of the student. University-employed graduate students receive tuition waivers that can be valued at between \$458 to \$1,382 per credit hour per semester, depending upon their resident (or non-resident) status. Factors such as whether the student is a Hawai'i resident or non-resident will increase the value of the tuition waiver benefit. For example, a full time resident graduate student tuition can range from \$5,500.00 to \$9,000.00 per semester while non-resident tuition ranges from \$13,400.00 to \$16,600 per semester. They also may receive a monetary stipend that can vary by the educational program that they are associated with. The current level of compensation is not an insignificant cost to the University.

Since mandatory subjects of bargaining covers wages, hours, conditions of employment and fringe benefits, all such subjects shall now become "cost items" subject to legislative appropriations pursuant to HRS, §89-10(b). For example, membership in the State Employees' Retirement System as provided to employees in Chapter 88, HRS, will add pension contribution costs to the State and employee. As with other bargaining unit members, enrollment in the Employer-Union Trust Fund for health insurance benefits will also add increased expenses to the University for contributions and to the State for total liability of the system. Additionally, all compensation collectively bargained for can be treated as wages that will be subject to employment and income taxes.

House Committee on Finance HB553 HD1: Relating to Collective Bargaining

Page 3 of 3

The Legislature should consider the cost factor for additional expenses that will be incurred above the current operational costs. Adding collective bargaining components to this class of employees who are first and foremost student employees will increase State general fund demand while simultaneously increasing University operational expenses.

We respectfully request the House Committee on Finance defer any further action on this measure.

Thank you for the opportunity to testify on this bill.



TESTIMONY OF THE DEPARTMENT OF THE ATTORNEY GENERAL TWENTY-EIGHTH LEGISLATURE, 2015

ON THE FOLLOWING MEASURE:

H.B. NO. 553, H.D. 1, RELATING TO COLLECTIVE BARGAINING.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

LATE

DATE: Thursday, February 26, 2015 TIME: 3:00 p.m.

LOCATION: State Capitol, Room 308

TESTIFIER(S): Russell A. Suzuki, Attorney General, or

Maria C. Cook, Deputy Attorney General

Chair Luke and Members of the Committee:

The Department has no legal objection to this bill, which provides graduate students employed by the University of Hawaii with the right to collectively bargain with their employer. The Department has concerns that the bill failed to amend section 89-11, Hawaii Revised Statutes (HRS), relating to resolution of disputes or impasses. We recommend adding a provision under section 89-11, HRS, that would allow bargaining unit 15 (graduate students employed by the University of Hawaii) to either go to binding arbitration or to strike in the event of an impasse. It should be noted that the faculty (bargaining unit 7) with whom this graduate students' work did not have binding arbitration but have the right to strike.

Thank you for the opportunity to present comments.





The House Committee on Finance Thursday, February 26, 2015 3:00 p.m.

HB 553, HD 1, Relating to Collective Bargaining.

Dear Chairperson Luke and Committee Members:

The University of Hawaii Professional Assembly urges the committee to support passage of this proposed measure by amendments to the Hawaii Revised Statues Chapter 90 that will advance the interests of graduate assistants. These employees are essential to instruction and research that contribute to the overall success of the University of Hawaii. Graduate Assistances are employees in the full sense of the term with continuing access to positions based on job and academic performance.

UHPA supports the rights of graduate assistants to organize and collectively bargain. Such a right is consistent with the labor tradition in our state and is compatible with an academic environment whereby the majority of employees have access to representation.

Respectively submitted,

Kristeen Hanselman

Associate Executive Director



